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# 北京首都國際機場股份有限公司

## Beijing Capital International Airport Co.,Ltd.

*(a sino-foreign joint stock limited company incorporated in the People's Republic of China)*

(Stock Code: 00694)

### ANNOUNCEMENT

### CONTINUING CONNECTED TRANSACTIONS

### SUPPLEMENTAL AGREEMENT IN RELATION TO

### THE FREQUENT TRAVELLER PAID MEMBERSHIP

### MANAGEMENT AGREEMENT

#### **SUPPLEMENTAL AGREEMENT IN RELATION TO THE FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT**

Reference is made to the 2022 Announcement.

As disclosed in the 2022 Announcement, on 1 August 2022, the Company entered into the Frequent Traveller Paid Membership Management Agreement with CAVIP, pursuant to which the Company agreed to permit CAVIP to operate and manage the frequent travellers' paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources at Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025.

On 3 November 2023, the Company and CAVIP entered into the Supplemental Frequent Traveller Paid Membership Management Agreement, pursuant to which the entrusted management fee payable by the Company to CAVIP for the period from 1 August 2022 to 31 December 2022 under the Frequent Traveller Paid Membership Management Agreement shall be reduced.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, the Parent Company is the controlling shareholder of the Company, holding approximately 58.96% of the issued share capital of the Company. Since CAVIP is a wholly-owned subsidiary of the Parent Company, CAVIP is therefore a connected person of the Company. Accordingly, the Supplemental Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, as the Supplemental Frequent Traveller Paid Membership Management Agreement constitutes a material change to the terms of the Frequent Traveller Paid Membership Management Agreement, the Company is required to re-comply with the relevant requirements of Chapter 14A of the Listing Rules.

The existing annual caps under the Frequent Traveller Paid Membership Management Agreement as disclosed in the 2022 Announcement remain unchanged. As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Supplemental Frequent Traveller Paid Membership Management Agreement is more than 0.1% but less than 5%, the Supplemental Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **BACKGROUND**

Reference is made to the 2022 Announcement.

As disclosed in the 2022 Announcement, on 1 August 2022, the Company entered into the Frequent Traveller Paid Membership Management Agreement with CAVIP, pursuant to which the Company agreed to permit CAVIP to operate and manage the frequent travellers' paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources at Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025.

On 3 November 2023, the Company and CAVIP entered into the Supplemental Frequent Traveller Paid Membership Management Agreement, pursuant to which the entrusted management fee payable by the Company to CAVIP for the period from 1 August 2022 to 31 December 2022 under the Frequent Traveller Paid Membership Management Agreement shall be reduced.

## **SUPPLEMENTAL AGREEMENT IN RELATION TO THE FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT**

### **Material terms of the Supplemental Frequent Traveller Paid Membership Management Agreement**

#### ***Date***

3 November 2023

#### ***Parties***

- (a) the Company; and
- (b) CAVIP

#### ***Effective date***

The Supplemental Frequent Traveller Paid Membership Management Agreement shall become effective on 3 November 2023 and shall remain in effect until 31 July 2025 (i.e. the expiry date of the Frequent Traveller Paid Membership Management Agreement).

#### ***Consideration and payment***

The Frequent Traveller Paid Membership Management Agreement provides that, among other things, in the event the domestic passenger throughput at Beijing Capital Airport has not reached 30 million person times per year due to pandemic or force majeure, any amendments to the entrusted management fee shall be negotiated and agreed by the Parties in writing. Accordingly, in light of the domestic passenger throughput at Beijing Capital Airport for the year ended 31 December 2022 and following arms' length negotiations between the Parties, it was agreed that the entrusted management fee payable by the Company to CAVIP for the period from 1 August 2022 to 31 December 2022 shall be reduced to RMB832,880.65, which represents the relevant labour costs incurred by CAVIP for its provision of services under the Frequent Traveller Paid Membership Management Agreement.

Save as disclosed above, the other terms of the Frequent Traveller Paid Membership Management Agreement (as amended by the Supplemental Frequent Traveller Paid Membership Management Agreement) shall remain unchanged. For the material terms, pricing policy and internal control on pricing in relation to the Frequent Traveller Paid Membership Management Agreement, please refer to the 2022 Announcement.

## **Annual caps**

The annual caps of the Frequent Traveller Paid Membership Management Agreement for the term from 1 August 2022 to 31 July 2025 have been disclosed in the 2022 Announcement. The annual cap for the four months ended 31 December 2022 was RMB10,000,000, which remains unchanged and has not been exceeded, in light of the reduction of entrusted management fee payable by the Company to CAVIP for the same period under the Supplemental Frequent Traveller Paid Membership Management Agreement. Given that such entrusted management fee was reduced on a one-off basis due to the level of domestic passenger throughput for the year ended 31 December 2022, the other annual caps for the two years ended 31 December 2024 and seven months ended 31 July 2025 under the Frequent Traveller Paid Membership Management Agreement as disclosed in the 2022 Announcement have also remained unchanged.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT**

Currently, CAVIP has entered into individual operating agreements in relation to the frequent traveller paid membership business resources at Beijing Capital Airport with certain independent third parties of the Company, which were selected by CAVIP with the authorisation of the Company under the Frequent Traveller Paid Membership Management Agreement. Due to the actual impact of the pandemic, the domestic passenger throughput at Beijing Capital Airport for the year ended 31 December 2022 was less than 30 million person-times. As a result, CAVIP and the third party operators have agreed to reduce the amount of operating fee payable by CAVIP to third party operators in accordance with the relevant operating agreements.

Given that the domestic passenger throughput for the year ended 31 December 2022 was less than 30 million person-times, in light of the terms and conditions of the Frequent Traveller Paid Membership Management Agreement as disclosed in the 2022 Announcement, the Company has negotiated and agreed with CAVIP on the adjustment to the entrusted management fee payable by the Company to CAVIP for the period from 1 August 2022 to 31 December 2022. The adjusted amount of entrusted management fee as set out in the Supplemental Frequent Traveller Paid Membership Management Agreement is lower than the original amount payable by the Company to CAVIP under the Frequent Traveller Paid Membership Management Agreement.

Furthermore, the percentage reduction in the entrusted management fee payable by the Company to CAVIP for the period from 1 August 2022 to 31 December 2022 under the Supplemental Frequent Traveller Paid Membership Management Agreement was fair and reasonable in light of the percentage reduction in the operating fee payable by CAVIP to third party operators for the same period.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the Supplemental Frequent Traveller Paid Membership Management Agreement is entered into on normal commercial terms that are fair and reasonable and in the ordinary and usual course of business of the Company, and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole.

## **GENERAL**

The Company is principally engaged in the operation of Beijing Capital Airport.

The Parent Company is principally engaged in the provision of ground support services for domestic and international aviation enterprises and the provision of operation and management services, counter and premises rental services, car parking management, housing rental, property management, advertising agency services and other businesses to its subsidiaries. The ultimate beneficial owner of the Parent Company is the Civil Aviation Administration of China, which is a state bureau administered by the Ministry of Transport of the PRC.

CAVIP is principally engaged in the provision of professional customer services to VIP clients and other travellers in the terminals of Beijing Capital Airport and certain other domestic airports. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, it is a wholly-owned subsidiary of the Parent Company.

## **BOARD'S APPROVAL**

The Supplemental Frequent Traveller Paid Membership Management Agreement was approved by the Board.

As at the date of this announcement, there are no overlapping directors and senior management between the Company and CAVIP. Moreover, while the executive Directors and the non-executive Directors concurrently serve as directors or senior management of the Parent Company, none of the Directors personally has any material interest in the transactions contemplated under the Supplemental Frequent Traveller Paid Membership Management Agreement entered into between the Company and CAVIP. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the Supplemental Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, the Parent Company is the controlling shareholder of the Company, holding approximately 58.96% of the issued share capital of the Company. Since CAVIP is a wholly-owned subsidiary of the Parent Company, CAVIP is therefore a connected person of the Company. Accordingly, the Supplemental Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, as the Supplemental Frequent Traveller Paid Membership Management Agreement constitutes a material change to the terms of the Frequent Traveller Paid Membership Management Agreement, the Company is required to re-comply with the relevant requirements of Chapter 14A of the Listing Rules.

The existing annual caps under the Frequent Traveller Paid Membership Management Agreement as disclosed in the 2022 Announcement remain unchanged. As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Supplemental Frequent Traveller Paid Membership Management Agreement is more than 0.1% but less than 5%, the Supplemental Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“2022 Announcement”	the announcement of the Company dated 1 August 2022 in respect of the continuing connected transactions contemplated under, among other things, the Frequent Traveller Paid Membership Management Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Beijing Capital Airport”	Beijing Capital International Airport
“Board”	the board of Directors
“CAVIP”	Capital Airport VIP Services Management Co., Ltd.* (首都空港貴賓服務管理有限公司), a limited liability company established in the PRC which is a wholly-owned subsidiary of the Parent Company

“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場股份有限公司), a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Frequent Traveller Paid Membership Management Agreement”	the frequent traveller paid membership management agreement dated 1 August 2022 entered into between the Company and CAVIP in relation to the permission granted by the Company to CAVIP to operate and manage the frequent travellers’ paid membership business, the business related to the VIP Travellers’ Services and the related resources at Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB1.00 each in the registered capital of the Company
“Independent Shareholder(s)”	the Shareholder(s) other than the Parent Company, its associates and any other Shareholder who has a material interest in the transactions contemplated under the Supplemental Frequent Traveller Paid Membership Management Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parent Company”	Capital Airports Holdings Limited* (首都機場集團有限公司) (formerly known as Capital Airports Holding Company* (首都機場集團公司)), an enterprise established in the PRC and the controlling shareholder of the Company
“Parties”	the parties to the Supplemental Frequent Traveller Paid Membership Management Agreement, namely the Company and CAVIP
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Share(s)”	share(s) of RMB1.00 each in the registered capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Frequent Traveller Paid Membership Management Agreement”	the supplemental agreement dated 3 November 2023 entered into between the Company and CAVIP to amend certain terms of the Frequent Traveller Paid Membership Management Agreement
“VIP(s)”	very important person(s)
“VIP Travellers’ Services”	the VIP travellers’ services and other VIP-related services provided to frequent travellers at Beijing Capital Airport under the Frequent Traveller Paid Membership Management Agreement
“%”	per cent

By order of the Board  
**Li Bo**  
*Secretary to the Board*

Beijing, the PRC  
3 November 2023

*As at the date of this announcement, the Directors of the Company are:*

*Executive directors: Mr. Wang Changyi and Mr. Han Zhiliang*

*Non-executive directors: Mr. Jia Jianqing, Mr. Song Kun and Mr. Du Qiang*

*Independent non-executive directors: Mr. Zhang Jiali, Mr. Stanley Hui Hon-chung, Mr. Wang Huacheng and Ms. Duan Donghui*

*An announcement containing details of the matter is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> under “Latest Listed Company Information” and the website of the Company at <http://www.bcia.com.cn>.*

*\* For identification purpose only*